

Testimony of Joseph Engel  
On behalf of the Connecticut Association of Ambulatory Surgery Centers  
Before the Insurance Committee  
On SB 255, An Act Prohibiting Differential Payment Rates To Health Care Providers For  
Colonoscopy Or Endoscopic Services Based On Site Of Service

March 4, 2010

Good Afternoon Senator Crisco, Representative Fontana and distinguished members of the Insurance Committee. My name is Joseph Engel and I am an administrator for a gastroenterology facility in Fairfield County. I am here today on behalf of the Connecticut Association of Ambulatory Surgery Centers to speak on SB 255, An Act Prohibiting Differential Payment Rates To Health Care Providers For Colonoscopy Or Endoscopic Services Based On Site Of Service

**A few years ago, the Connecticut General Assembly recognized patient safety concerns and appropriately acted to ensure that procedures requiring more extensive anesthesia be done in safe and appropriate environments-like surgery centers or hospitals- and no longer in physician offices.** As part of this effort, Connecticut passed detailed regulations improving patient safety by eliminating unregulated, unlicensed surgical settings and also requiring surgery centers and hospitals to contract with patient safety organizations. Unfortunately, insurers are now using this legislation to penalize providers for complying with state statute.

In fact, some insurers have actually increased reimbursements to providers-if they provide care in their office rather than in the hospital or surgery center. At the same time, almost cutting in half the reimbursement for providing care in the hospital or surgery center. In some instances, physicians actually modified their own offices to comply with safety regulations and state licensure requirements-all at great expense. Today, after all of the modifications, some providers will actually be reimbursed half of what they were paid prior to the increased licensure and regulatory oversight.

When we broached the subject with the Insurance department and one of the insurers, the insurer actually indicated that they believed procedures like colonoscopy could be done in the office without anesthesia. (Clearly if you have ever had a colonoscopy, you would know that this is not the standard of care and not in the interest of the patient.) If patients are uncomfortable during this type of procedure, perforations are more likely and the patient is unlikely to return for a follow up screening.

It is our belief that the site of service differential flies in the face of the patient safety legislation passed by this very body. We certainly do not want insurers to use the legislation before you today in SB 255 to reduce rates across the board, but are looking for some relief on this issue.

Thank you for your consideration and I would be happy to answer any questions you might have.